

---

SENATE BILL 5964

---

State of Washington

54th Legislature

1995 Regular Session

By Senators Prentice, Sellar, Loveland, Moyer and Kohl

Read first time 02/17/95. Referred to Committee on Financial Institutions & Housing.

1 AN ACT Relating to low-income and special needs housing; amending  
2 RCW 82.46.010; and creating a new section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The legislature recognizes the objective of  
5 the housing policy act to ensure a decent home in a healthy, safe  
6 environment for every resident of the state by strengthening public and  
7 private institutions. Therefore, it is the intent of the legislature  
8 to encourage local jurisdictions to leverage resources for the  
9 development of affordable housing by allowing counties and cities to  
10 continue to use a portion of the real estate excise tax for that  
11 purpose.

12 **Sec. 2.** RCW 82.46.010 and 1994 c 272 s 1 are each amended to read  
13 as follows:

14 (1) The legislative authority of any county or city shall identify  
15 in the adopted budget the capital projects funded in whole or in part  
16 from the proceeds of the tax authorized in this section, and shall  
17 indicate that such tax is intended to be in addition to other funds  
18 that may be reasonably available for such capital projects.

1 (2) The legislative authority of any county or any city may impose  
2 an excise tax on each sale of real property in the unincorporated areas  
3 of the county for the county tax and in the corporate limits of the  
4 city for the city tax at a rate not exceeding one-quarter of one  
5 percent of the selling price. The revenues from this tax shall be used  
6 by any city or county with a population of five thousand or less and  
7 any city or county that does not plan under RCW 36.70A.040 for any  
8 capital purpose identified in a capital improvements plan and local  
9 capital improvements, including those listed in RCW 35.43.040 except as  
10 otherwise provided in this subsection.

11 After April 30, 1992, revenues generated from the tax imposed under  
12 this subsection in counties over five thousand population and cities  
13 over five thousand population that are required or choose to plan under  
14 RCW 36.70A.040 shall be used solely for financing capital projects  
15 specified in a capital facilities plan element of a comprehensive plan,  
16 housing projects for low-income persons and persons with special needs  
17 consistent with policies specified in a housing element of a  
18 comprehensive plan, and housing relocation assistance under RCW  
19 59.18.440 and 59.18.450. However, revenues: (a) Pledged by such  
20 counties and cities to debt retirement prior to April 30, 1992, may  
21 continue to be used for that purpose until the original debt for which  
22 the revenues were pledged is retired((~~7~~)); or (b) committed prior to  
23 April 30, 1992, by such counties or cities to a project may continue to  
24 be used for that purpose until the project is completed.

25 (3) In lieu of imposing the tax authorized in RCW 82.14.030(2), the  
26 legislative authority of any county or any city may impose an  
27 additional excise tax on each sale of real property in the  
28 unincorporated areas of the county for the county tax and in the  
29 corporate limits of the city for the city tax at a rate not exceeding  
30 one-half of one percent of the selling price.

31 (4) Taxes imposed under this section shall be collected from  
32 persons who are taxable by the state under chapter 82.45 RCW upon the  
33 occurrence of any taxable event within the unincorporated areas of the  
34 county or within the corporate limits of the city, as the case may be.

35 (5) Taxes imposed under this section shall comply with all  
36 applicable rules, regulations, laws, and court decisions regarding real  
37 estate excise taxes as imposed by the state under chapter 82.45 RCW.

38 (6) As used in this section, "city" means any city or town and  
39 "capital project" means those public works projects of a local

1 government for planning, acquisition, construction, reconstruction,  
2 repair, replacement, rehabilitation, or improvement of streets; roads;  
3 highways; sidewalks; street and road lighting systems; traffic signals;  
4 bridges; domestic water systems; storm and sanitary sewer systems;  
5 parks; recreational facilities; law enforcement facilities; fire  
6 protection facilities; trails; libraries; administrative and/or  
7 judicial facilities; river and/or waterway flood control projects by  
8 those jurisdictions that, prior to June 11, 1992, have expended funds  
9 derived from the tax authorized by this section for such purposes;  
10 and(~~(, until December 31, 1995, housing projects for those~~  
11 ~~jurisdictions that, prior to June 11, 1992, have expended or committed~~  
12 ~~to expend funds derived from the tax authorized by this section or the~~  
13 ~~tax authorized by RCW 82.46.035 for such purposes)) "housing projects"  
14 means the construction, reconstruction, acquisition, financing, or  
15 rehabilitation of housing to be owned or operated by a public entity or  
16 nonprofit corporation to serve low-income persons or persons with  
17 special needs or for the acquisition of property for these purposes.~~

--- END ---